

AMENDED IN ASSEMBLY JULY 16, 2015

AMENDED IN ASSEMBLY JULY 7, 2015

AMENDED IN SENATE JUNE 1, 2015

AMENDED IN SENATE APRIL 28, 2015

AMENDED IN SENATE APRIL 6, 2015

SENATE BILL

No. 4

Introduced by Senator Lara

(Principal coauthor: Assembly Member Bonta)

**(Coauthors: Senators Hall, Hancock, Hernandez, Hill, Hueso,
Mitchell, Monning, Pan, and Wolk)**

(Coauthors: Assembly Members Alejo, Chiu, Levine, Lopez, and
Thurmond)

December 1, 2014

An act to add Section 100522 to the Government Code, and to amend Section 14007.8 of the Welfare and Institutions Code, relating to health care coverage.

LEGISLATIVE COUNSEL'S DIGEST

SB 4, as amended, Lara. Health care coverage: immigration status.

Existing law, the federal Patient Protection and Affordable Care Act (PPACA), requires each state to establish an American Health Benefit Exchange that facilitates the purchase of qualified health plans by qualified individuals and qualified small employers, and meets certain other requirements. PPACA specifies that an individual who is not a citizen or national of the United States or an alien lawfully present in the United States shall not be treated as a qualified individual and may not be covered under a qualified health plan offered through an

exchange. Existing law creates the California Health Benefit Exchange for the purpose of facilitating the enrollment of qualified individuals and qualified small employers in qualified health plans as required under PPACA.

This bill would require the Secretary of the California Health and Human Services Agency to apply to the United States Department of Health and Human Services for a waiver to allow individuals who are not eligible to obtain health coverage because of their immigration status to obtain coverage from the California Health Benefit Exchange. The bill would require, after that waiver has been granted, the California Health Benefit Exchange to offer California qualified health benefit plans, as specified, to these individuals. The bill would require that individuals eligible to purchase California qualified health plans pay the cost of coverage without federal assistance.

Existing law provides for the Medi-Cal program, which is administered by the State Department of Health Care Services, under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid Program provisions. Existing law extends eligibility for full-scope Medi-Cal benefits to individuals under 19 years of age who do not have, or are unable to establish, satisfactory immigration status, commencing after the Director of Health Care Services determines that systems have been programmed for implementation of this extension, but in no case sooner than May 1, 2016. Existing law requires these individuals to enroll in a Medi-Cal managed care health plan in those counties in which a Medi-Cal managed care health plan is available.

This bill would require individuals *under 19 years of age* enrolled in restricted-scope Medi-Cal at the time the director makes the above-described determination to be transitioned to full-scope Medi-Cal within 30 days of that determination. The bill would also require that an individual who is eligible pursuant to these provisions enroll in a Medi-Cal managed care health plan if the individual would otherwise have been required to enroll in that plan.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. (a) The Legislature finds and declares all of the
2 following:

1 (1) No child in California should endure suffering and pain due
2 to a lack of access to health care services.

3 (2) No individual in California should be excluded from
4 obtaining coverage through the California Health Benefit Exchange
5 by reason of immigration status.

6 (3) Expanding access and increasing enrollment in
7 comprehensive health care coverage benefits the health and welfare
8 of all Californians.

9 (b) It is the intent of the Legislature to ensure that all
10 Californians are eligible to obtain health care coverage through
11 the Exchange.

12 (c) It is further the intent of the Legislature to increase
13 opportunities for enrollment in comprehensive coverage for adults,
14 regardless of immigration status, through the enactment of this
15 bill.

16 (d) It is further the intent of the Legislature that all Californians
17 who are otherwise eligible for Medi-Cal, a qualified health plan
18 offered through the California Health Benefit Exchange, or
19 affordable employer-based health coverage, enroll in that coverage,
20 and obtain the care that they need.

21 SEC. 2. Section 100522 is added to the Government Code, to
22 read:

23 100522. (a) The Secretary of California Health and Human
24 Services shall apply to the United States Department of Health
25 and Human Services for a waiver authorized under Section 1332
26 of the federal act as defined in subdivision (e) of Section 100501
27 in order to allow persons otherwise not able to obtain coverage by
28 reason of immigration status through the Exchange to obtain
29 coverage from the Exchange by waiving the requirement that the
30 Exchange offer only qualified health plans solely for the purpose
31 of offering coverage to persons otherwise not able to obtain
32 coverage by reason of immigration status.

33 (b) The Exchange shall offer California qualified health plans
34 that shall be subject to the requirements of this title, including all
35 of those requirements applicable to qualified health plans. In
36 addition, California qualified health plans shall be subject to the
37 requirements of Section 1366.6 of the Health and Safety Code and
38 Section 10112.3 of the Insurance Code in the same manner as
39 qualified health plans.

1 (c) Persons eligible to purchase California qualified health plans
2 shall pay the cost of coverage without federal advanced premium
3 tax credit, federal cost-sharing reduction, or any other federal
4 assistance.

5 (d) Subdivisions (b) and (c) of this section shall become
6 operative upon federal approval of the waiver pursuant to
7 subdivision (a).

8 (e) For purposes of this section, a “California qualified health
9 plan” means a product offered to those not otherwise eligible to
10 purchase coverage from the Exchange by reason of immigration
11 status and that comply with each of the requirements of state law
12 and the Exchange for a qualified health plan.

13 SEC. 3. Section 14007.8 of the Welfare and Institutions Code
14 is amended to read:

15 14007.8. (a) (1) After the director determines, and
16 communicates that determination in writing to the Department of
17 Finance, that systems have been programmed for implementation
18 of this section, but no sooner than May 1, 2016, an individual who
19 is under 19 years of age and who does not have satisfactory
20 immigration status or is unable to establish satisfactory immigration
21 status as required by Section 14011.2 shall be eligible for the full
22 scope of Medi-Cal benefits, if he or she is otherwise eligible for
23 benefits under this chapter.

24 (2) Individuals *under 19 years of age* enrolled in restricted-scope
25 Medi-Cal at the time the director makes the determination
26 described in paragraph (1) shall be transitioned to full-scope
27 Medi-Cal within 30 days of the director’s determination.

28 (b) To the extent permitted by state and federal law, an
29 individual eligible under this section shall be required to enroll in
30 a Medi-Cal managed care health plan if the individual would
31 otherwise have been required to enroll in the plan.

32 (c) The department shall seek any necessary federal approvals
33 to obtain federal financial participation in implementing this
34 section. Benefits for services under this section shall be provided
35 with state-only funds only if federal financial participation is not
36 available for those services.

37 (d) The department shall maximize federal financial participation
38 in implementing this section to the extent allowable.

1 (e) This section shall be implemented only to the extent it is in
2 compliance with Section 1621(d) of Title 8 of the United States
3 Code.

4 (f) (1) Notwithstanding Chapter 3.5 (commencing with Section
5 11340) of Part 1 of Division 3 of Title 2 of the Government Code,
6 the department, without taking any further regulatory action, shall
7 implement, interpret, or make specific this section by means of
8 all-county letters, plan letters, plan or provider bulletins, or similar
9 instructions until the time any necessary regulations are adopted.
10 Thereafter, the department shall adopt regulations in accordance
11 with the requirements of Chapter 3.5 (commencing with Section
12 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

13 (2) Commencing six months after the effective date of this
14 section, and notwithstanding Section 10231.5 of the Government
15 Code, the department shall provide a status report to the Legislature
16 on a semiannual basis, in compliance with Section 9795 of the
17 Government Code, until regulations have been adopted.

18 (g) In implementing this section, the department may contract,
19 as necessary, on a bid or nonbid basis. This subdivision establishes
20 an accelerated process for issuing contracts pursuant to this section.
21 Those contracts, and any other contracts entered into pursuant to
22 this subdivision, may be on a noncompetitive bid basis and shall
23 be exempt from the following:

24 (1) Part 2 (commencing with Section 10100) of Division 2 of
25 the Public Contract Code and any policies, procedures or
26 regulations authorized by that part.

27 (2) Article 4 (commencing with Section 19130) of Chapter 5
28 of Part 2 of Division 5 of Title 2 of the Government Code.

29 (3) Review or approval of contracts by the Department of
30 General Services.